



GUEST SERVICES ASSIGNMENT

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Introduction

In this report I will evaluate Hotel services, quality management and adaption to market change and customer's needs. For this purpose, I have chosen Hilton Hotels, as it is an old and recognised brand nowadays and gives us great insight as to why adaption is of utmost significance for a business, to not only survive over time, but prosper.

Mario Dolcezza, author of the book "How to be great at customer service" says in his interview with Hotelindustry.co.uk, that: "Customer service is the degree of assistance provided by the business in order to facilitate a purchase by the customer. More importantly the customers experience is directly related to the effort put into customer service and can be positive, indifferent or negative." (Dolcezza, 2012). What it means for the industry is that the customer is not only evaluating the service itself, but how it was provided as well. Employers, owners and managers should always train their staff and aim for excellence, as there's a lot of competition in every field of Hospitality. If a guest is unhappy with a product or service, he could easily find it elsewhere.

Hilton History, Guest services and prosperity through the years

In 1919 on his way to buy a bank, Mr. Conrad Hilton accidentally buys a hotel instead (Hilton, 2019). This story shows us that Mr. Hilton was already a rich man, that he had flair for business and it reveals that he's flexible and time sensitive. After purchasing the hotel, in 1925 he builds the first Hilton Dallas in Texas. To avoid the heat and sun in Texas (in the 1920 there was no aircon), he builds the elevators, laundry shoots and other non-customer facilities along the west side of the building so no guest rooms face the unbearable western sun. In 1927 he opens the first Hotel to have running cold water and air-conditioning in the public areas – Hilton Waco, Texas.

To grasp the significance of things we think of as normal today, we must see the whole picture. America in 1920-1940 hits one of its darkest chapters – the great depression. According to newspapers at the time (Encyclopedia.com) businesses in America were run "by business for business", so putting the customer first was not an instant thought. President at the time of the crash was Hoover, who chose a non-approach and Conservatives at the time thought, that the market would somehow even out itself, which didn't happen. Hilton was a visionary for his time, going for a system unknown to mankind. In his entire history Hilton Hotels did many things first, to list just a few of them:

- 1931 first offer and popularisation of room service
- 1943 first American coast to coast Hotel chain

- 1946 first post WWII Hotel Company “Hilton Hotel Corps” becomes the first hotelier to be listed on New York stock exchange
- 1947 first to install TV in every Hotel room
- 1948 first to introduce multi-hotel reservation system

Hilton has always adapted and implemented changes of customer's needs or technology. It was the first Hotel to adapt the thought of “a home away from home”, to have all rooms standardised, to use a system that connects all hotels and eases both workers and customers in their experience. It was the first Hotel to open a head office for reservations, where anyone could book at any Hilton property through telephone, teletype and telegram. They were the first to offer guest loyalty programmes and 1948 the Hilton Credit Card was born and sent to the 175 000 plus cardholders, it was accepted at all Hilton Hotels, you could buy a room, dinner, play at the casino and many more. This card was the equivalent of having the newest iPhone today, one can only imagine how futuristic this must have seemed at the time, like using your phone on the TFL today. Conrad Hilton and Hilton Hotels have helped shape the face of Hotels and Hospitality as we know it today and they have brought up a whole generation and provided them with impressions of how a holiday, a hotel, a room should look, feel or cost.

The chain Hilton expanded so fast, that the idea of “Hilton on the Moon” was born. The expansion to the Moon was time accurate with the moon landing and was even mentioned in the hit series “Mad Men” (2007). In an interview with the “Wall Street Journal”, Conrad Hilton's grandson, Steve Hilton confirms this strategy of his grandfather (Hilton, 2009). Although he sees it as a more symbolic word take, meaning that Hilton is spreading so fast, you can almost see it on the Moon. He did confirm there was even a “Lunar Hilton” themed party at the time, which only shows how the Hiltons turn everything into business and marketing. To throw such an eccentric party to attract publicity and use the moon landing as an advert. Even today's management cashes on that story, as “Mad Men” have asked for rights and information on Conrad, to be able to depict him in the most real and honourable way, for which they've paid a great amount of course. Their brand name is mentioned so often in the series and the founder is depicted as an honest and honourable man, who would complain about the free advert in a hit tv series with 7 seasons? The show takes place in 1920-1950 so all the viewers get the feeling of how old and well established the company is, it shows the glamour and hard work put into building this empire and it educates a whole generation about “Hilton Hotels” and goes deep into today's slogan to pay for an experience, rather than a thing. According to CNN Business the series finale had more than 3 million viewers and a general rating of 1.7 million viewers in the show's target demographic of 25 to 54 year olds (Pallotta, 2015).



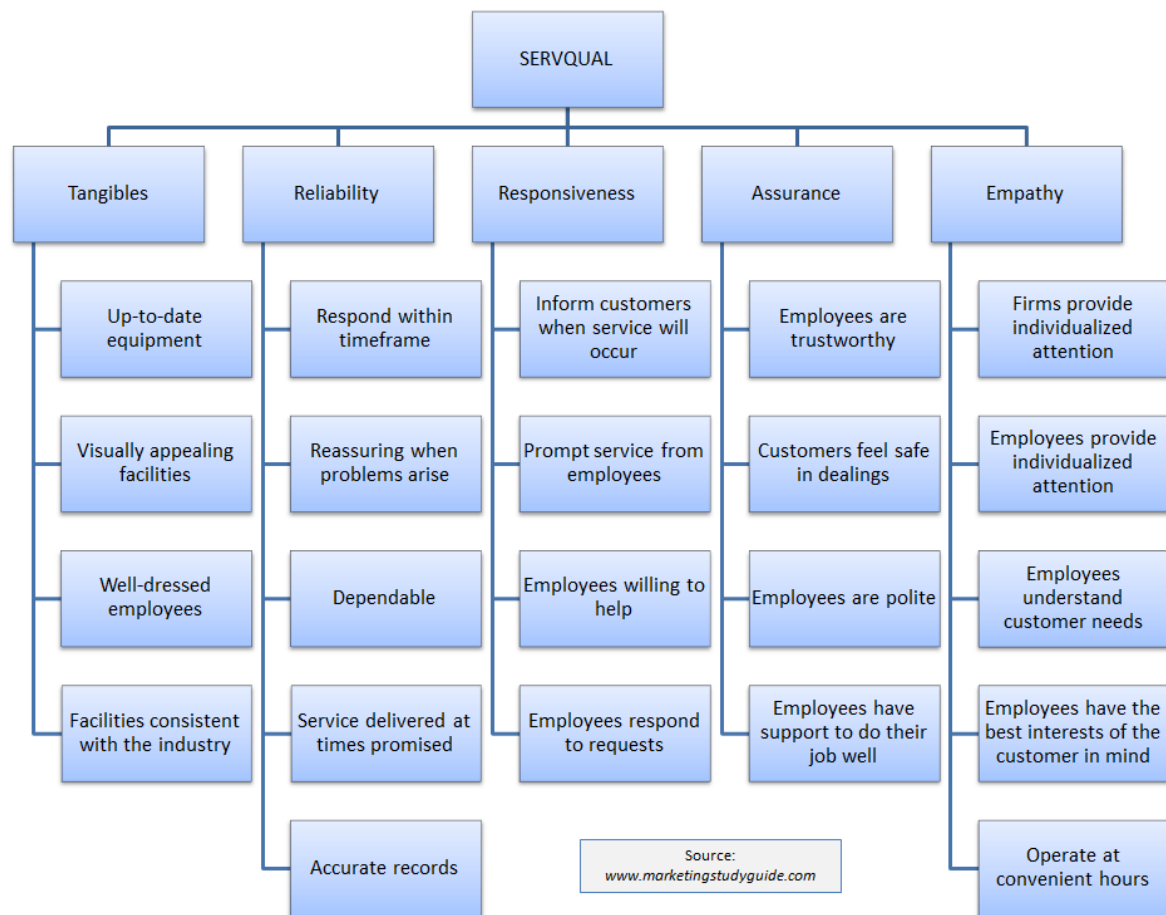
In the 1960s Barron Hilton gave guests of chosen Hilton Hotels and events such cards, to reserve a room in the upcoming Lunar Hilton, which he hoped he would open in his lifetime. The Hotel chain got many responds, well before the moon landing even happened, and caused a big stir at the time in society, politics and business (Reynolds, 2019).

In the 1960s Mr. Hilton turned away from managing the Hotels and gave that up in favour of his son Barron, but he took control over Franchising. Separating ownership from management is also a process implemented earlier than many other businesses and helped to build the empire we know today. Hilton was the first to start franchising in 1955. To franchise means that the owner (of a Hotel/Building) is provided with the benefit of access and rights to the intellectual property related with the brand (Hilton) and the brand's system, a global reservations system, loyalty program and an established guest base in exchange for licence fees, marketing fees and reservation fees (Migdal, 2015). According to (<https://www.entrepreneur.com>, 2019) , a research tool you can use to compare franchise operations, the ongoing fee to be a Hilton franchisee is \$75,000, while the whole financial requirement may well be between \$30,574,200 - \$128,962,000. The franchising options even offer financial cover from 3rd party to cover franchise fee, start-up costs, equipment, inventory, account receivable and payroll. They also offer a wide range of support options like Newsletters, online support, propriety software, ad templates, website development, social media, loyalty program and they have classroom training available and estimate the number of employees needed at 150. For the past 65 years Hilton has perfected the big game of franchising and is making millions in ongoing fees only, offering rewards and royalty bonuses for franchisees for another 4-5%.

SERVQUAL

Researching Marketing development throughout the 1980s, quality of service and delivery become more main focused. "Delivering superior service quality appears to be a prerequisite for success, if not survival, of such business in the 1980s and beyond." Is just on of the ideas leading to SERVQUAL (A. Parasuraman, 1988). It's a

22-item instrument for assessing customer perception of service quality in service and retailing organisations. As seen on the table below it can be viewed in 22 questions:



Hilton Hotels have their own quality management program, which is very hard to find out about as it's a company secret. I do have a Hilton by Hampton Hotel nearby in Croydon and visited them, because they offer not only accommodation, but different courses are taking place there and I have to say they accommodate the idea and questions of SERVQUAL (<https://www.marketingstudyguide.com>, 2019). The lobby area was clean, employees were with uniform and looked tidy, receptionists were aware of courses and things to do in the local area.

ISO Standards and certificates

The ISO standards are the internationally recognized certification which ensures quality of products and services of a company (Cubukcu, 2015). They could bring many benefits to a company, for example:

- Increased Credibility and Recognition
- Increased Revenues

- Improved Consistency
- Increased Customer Satisfaction
- Empowered Employees
- Trained Employees and Documented Processes

Hilton Worldwide has earned two ISO certifications and the ceremony in 2011 was called “One of the Largest Volume Certifications Awarded for Commercial Buildings” (Hilton Worldwide Earns ISO 9001 and ISO 14001 Certifications for Quality and Environmental Management, 2011). One of the certificates is for continuous quality management and improvement and the second is for environmental policies and work of the company. Hilton takes care of their customers and employees as well. Both certificates prove where the heart of the management lies – to improve, move with time and technology, follow trends of time and society and offer timeless standard and lux.

Conclusion

Hilton have managed to turn a single Texas’ Hotel into a multi-national, multi-billion-dollar company. They have branded the name and all of us today connect it with something special, something luxurious.

The ISO certificates stand for policies, practices, systems and trainings taking place in the company. It verifies the control of business and quality and gives the employees a sense of pride in their work. Since its creation, Hilton Worldwide has made quality management and customer service core to its business model, both of which are key differentiators for the company's performance advantage (Hilton Worldwide Earns ISO 9001 and ISO 14001 Certifications for Quality and Environmental Management, 2011).

Employees and customers reviews are both overall good. Employees emphasize on the company being large and being able to progress within. Bad reviews happen and even the best policies can’t assure 100% customer satisfaction. Hilton has proven over time that they’re willing to work, commit and listen to their guests and target audience. Being such a big franchisor, one can’t be responsible for every franchisee and Hilton are taking all measurements to provide quality with their brand and the customer knows it.

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